

Representative Bishop for this blatant failure to comply with FEC regulations and with federal law.¹ Though the reports have now been belatedly filed, at least one contribution received by the PAC has still not been reported, calling into question the accuracy of these reports. After months of concealing their financial operations from the Commission and the public, Representative Bishop and his leadership PAC must be held accountable for these late and misleading reports.

M-BISH PAC and its treasurer have received multiple warnings from the Commission that the PAC is in violation of 52 U.S.C. § 30104(a), and that failure to file a timely report may result in financial penalties or legal enforcement action. The Commission should act immediately to investigate the full scope of these violations, ensure they cease immediately, and seek the appropriate financial penalties.

A. FACTS

Representative Mike Bishop represents Michigan's 8th Congressional district in the U.S. House of Representatives, and is running for reelection in 2018.² On October 1, 2016 Representative Bishop established a leadership PAC called Making Bold Initiatives + Solutions to Help America ("M-BISH PAC").³ Between October 1, 2016, when it filed its Statement of Organization, and November 4, 2017, M-BISH PAC did not report receiving any contributions or making any expenditures.⁴ Three reports were due in this time: a post-election report, due in December 2016; an end-of year report, due in January 2017; and a mid-year report, due in July of 2017.⁵ Each time a report was due, the Commission contacted M-BISH PAC's treasurer and

¹ Melissa Nann Burke, Bishop PAC fails to file disclosure reports, The Detroit News, (Nov. 3, 2017) available at <http://www.detroitnews.com/story/news/politics/2017/11/03/bishop-disclosure-reports/107317602/>.

² FEC Form 2, Statement of Candidacy, Mike Bishop (April 6, 2017), available at <http://docquery.fec.gov/pdf/832/201704069052019832/201704069052019832.pdf>.

³ FEC Form 1, Statement of Organization (October 1, 2016), available at <http://docquery.fec.gov/pdf/779/201610120300103779/201610120300103779.pdf>.

⁴ FEC.gov, Committee Profiles, available at <https://www.fec.gov/data/committee/C00627398/?tab=filings>.

⁵ See 11 C.F.R. § 104.5(c)(1).

informed her of the violation.⁶ M-BISH PAC has now filed all three reports, however they were filed between four and eleven months late.⁷

The belatedly-filed reports show that, contrary to what it reported prior to November 4, 2017, M-BISH PAC accepted over \$9,000 between the time it was organized and the end of the most recent reporting period. The post-general election report shows a \$2,700 contribution from an individual donor, a \$5,000 contribution from General Motors Corporation's political action committee, and a \$100 transfer from Mike Bishop for Congress.⁸ The year-end report from 2016 shows the same three contributions.⁹ Finally, the mid-year report from 2017 shows one individual contribution for \$1,000 and reports \$400 in unitemized contributions.¹⁰

At least one contribution which was reported by its source committee is not included on these reports. On its quarterly campaign finance report, the Capital One Financial Corporation's PAC reported contributing \$1,000 to M-BISH PAC on June 7, 2017.¹¹ This contribution was not reported by Representative Bishop's leadership PAC on its 2017 mid-year report.¹²

B. LEGAL ARGUMENT

With respect to a federal candidate or an individual holding federal office, a leadership PAC is "a political committee that is directly or indirectly established, financed, maintained or controlled by the candidate or the individual but which is not an authorized committee of the candidate or individual and which is not affiliated with an authorized committee of the candidate

⁶ FEC RFAI, M-BISH PAC, (Dec. 28, 2016), FEC RFAI, M-BISH PAC, (Feb. 16, 2017), RFAI, M-BISH PAC, (Aug. 16, 2017).

⁷ FEC.gov, Committee Profiles, available at <https://www.fec.gov/data/committee/C00627398/?tab=filings>.

⁸ 2016 Post-election Report, FEC Form 3x, Schedule A (November 4, 2017) available at <http://docquery.fec.gov/pdf/459/201711049086608459/201711049086608459.pdf>.

⁹ 2016 End-of-year Report, FEC Form 3x, Schedule A (November 4, 2017) available at <http://docquery.fec.gov/pdf/479/201711049086608479/201711049086608479.pdf>.

¹⁰ 2017 Mid-Year Report, FEC Form 3x, Schedule A (November 4, 2017) available at <http://docquery.fec.gov/pdf/497/201711049086608497/201711049086608497.pdf>.

¹¹ FEC Disbursement Search, November 6, 2017, available at https://www.fec.gov/data/disbursements/?two_year_transaction_period=2018&data_type=processed&recipient_name=C00627398&min_date=01%2F01%2F2017&max_date=12%2F31%2F2018.

¹² See 2017 Mid-Year Report, supra note 10.

or individual.”¹³ Like all other political committees, leadership PACs are required to file regular reports detailing all contributions they received and all disbursements made during each FEC reporting period.¹⁴ These requirements are intended to allow the Commission to monitor the activity of a leadership PAC and to make sure that the candidate is following all of the Commission regulations regarding the use of funds in a leadership PAC account. This disclosure also allows the public, and the constituents of federal office holders, to obtain “accurate and complete information regarding the financing of federal candidates.”¹⁵

Contributions must not only be reported they must be reported on time. Commission regulations describe clear deadlines dictating when committees must report political activity, and the Commission ensures that all committees are informed of the deadlines and reporting requirement with which they are required to comply.¹⁶ M-BISH PAC’s last three reports were due on December 8, 2016, January 31, 2017, and July 31, 2017.¹⁷ All three were submitted on November 4, 2017.¹⁸ M-BISH PAC has not provided any reason for the delay in the filing of these reports, and the failure to file them on time is a clear violation of Commission regulations and federal law.

In addition to being filed late, at least one of M-BISH PAC’s filings appears to be incomplete. Reports must include all contributions received in the relevant reporting period, and all contributions over \$200 must be itemized.¹⁹ M-BISH PAC was required to disclose all contributions received between January 1, 2017 and June 30, 2017 on its mid-year report for

¹³ 52 U.S.C. § 30104(i)(8)(B).

¹⁴ 11 C.F.R. § 104.1, 100.5(e)(6).

¹⁵ 65 Fed. Reg. 31787-01, (May 19, 2000).

¹⁶ 52 U.S.C. § 30104(a)(4), 11 C.F.R. § 104.5(c).

¹⁷ See 11 C.F.R. § 104.5(c)(1), FEC.gov, 2016 Reporting Dates, available at http://classic.fec.gov/info/report_dates_2016.shtml, FEC.gov, 2017 Reporting Dates, available at http://classic.fec.gov/info/report_dates_2017.shtml.

¹⁸ FEC.gov, Committee Profiles, available at <https://www.fec.gov/data/committee/C00627398/?tab=filings>.

¹⁹ 11 C.F.R. § 104.3(a)(4)(i).

2017.²⁰ This report contained only one itemized contribution, from an individual named Donald S. Parker.²¹ However, Capitol One Corporation's political action committee reported transmitting a \$1,000 contribution to M-BISH PAC on June 7, 2017.²² This contribution was not reported as required by law, so M-BISH PAC continues to be in violation of the FEC's requirement that it file accurate reports fully disclosing all contributions received. In addition, M-BISH PAC may have received other contributions which have not been disclosed, depriving the Commission and the public of the transparency that our campaign finance laws require.

As the Commission has informed M-BISH PAC in three letters, the failure to file timely reports as required by 52 U.S.C. § 30104(a) is punishable by an administrative fine.

C. REQUESTED ACTION

As we have shown, there is substantial evidence that Respondents have violated the Act. We respectfully request that the Commission investigate these violations, compel Respondents to fully disclose the required financial transactions, enjoin Respondents from continued violations, and fine them the maximum amount allowed by law.

Sincerely,

Judith M. Daubennier

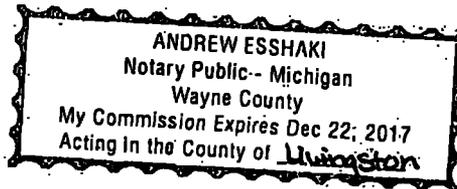
SUBSCRIBED AND SWORN to before me this 13 day of November, ~~2016~~ ²⁰¹⁷ at

[Signature]

Notary Public

My Commission Expires:

12/22/2017



²⁰ Id. § 104.5(c)(2)(A).

²¹ FEC Form 3x, Schedule A (November 4, 2017) available at <http://docquery.fec.gov/pdf/497/201711049086608497/201711049086608497.pdf>.

²² FEC Disbursement Search, November 3, 2017, available at https://www.fec.gov/data/disbursements/?two_year_transaction_period=2018&data_type=processed&recipient_name=C00627398&min_date=01%2F01%2F2017&max_date=12%2F31%2F2018.